

CCL that can be used in the production of chemical weapons precursors and chemical warfare agents, to destinations listed in Country Group D:3 (see Supplement No. 1 to part 740 of the EAR);

(4) Items controlled for short supply reasons that are identified by the letters "SS" in the applicable "Reason for Control" paragraph on the CCL;

(5) Items controlled for EI reasons on the CCL;

(6) Maritime (civil) nuclear propulsion systems or associated design or production software and technology identified in §744.5 of the EAR;

(7) Communications intercepting devices controlled by ECCN 5A980 on the CCL;

(8) Hot section technology for the development, production or overhaul of commercial aircraft engines controlled under ECCN 9E003.a.1. through a.12. .f, and related controls;

(9) Items specifically identified as ineligible by BXA on your approved SCL; and

(10) Additional items consistent with international commitments.

(b) Items controlled for nuclear non-proliferation reasons that are identified by the letters NP in the applicable "Reason for Control" paragraph on the CCL may be authorized on a case-by-case basis provided controls are in place to screen for proscribed end-users or end-uses.

[61 FR 12835, Mar. 25, 1996, as amended at 61 FR 54543, Oct. 21, 1996; 62 FR 25463, May 9, 1997; 63 FR 42229, Aug. 7, 1998; 63 FR 50525, Sept. 22, 1998; 64 FR 13339, Mar. 18, 1999]

§ 752.4 Eligible countries.

(a) *General provisions.* All countries are eligible under the SCL except:

(1) Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria.

(2) Other countries that BXA may designate on a case-by-case basis as ineligible to receive items under the SCL.

(b) *Servicing prohibitions.* Under the SCL, you may not service any item when you know that the item is owned or controlled by, or under the lease or charter of, entities in countries identified in paragraphs (a)(1) and (a)(2) of this section or any national of such countries.

§ 752.5 Steps you must follow to apply for an SCL.

(a) *Step One: Establish applicant reliability—(1) Pre-application consultation.* To apply for an SCL, BXA must determine your reliability as a potential SCL holder. BXA usually does this through consultation with company officials and a review of the criteria identified in paragraph (a)(2) of this section. To determine whether your company requires a consultation before you apply for an SCL, contact BXA at the address, phone, or telefacsimile numbers included in §752.17 of this part.

(2) *Criteria for determining eligibility.* BXA will review the following criteria to help determine SCL holder eligibility:

(i) Evidence of past licensing history and projected, continuous large volume exports;

(ii) Reliability of all parties relative to their compliance with the EAR;

(iii) Commitment of all parties of the necessary resources to implement and maintain an adequate ICP; and

(iv) Evidence of all parties knowledge of all provisions of the EAR.

(b) *Step Two: Establish consignee reliability—(1) Requirements.* You must make an initial determination of the reliability of all consignees that are listed on your application for an SCL, based upon the criteria described in paragraph (b)(2) of this section.

(2) *Determining reliability.* The criteria that you should take into consideration include, but are not limited to, the following:

(i) *Criteria.* (A) The proposed consignee has a satisfactory record established through BXA pre-license checks, or extensive experience as a consignee under any license issued by BXA;

(B) The proposed consignee is a wholly-owned subsidiary or a controlled-in-fact affiliate of the applicant or of a consignee that is already approved on an SCL. See part 772 of the EAR for a definition of controlled-in-fact; or

(C) You have evidence of an established, on-going business relationship with the proposed consignee.

(ii) *Exception.* The provisions of paragraph (b)(2)(i) of this section do not preclude the authority of BXA to determine the reliability and eligibility